

THE PRESIDENT'S PROPOSED FY 2007
BUDGET FOR THE DHS: THE OFFICE OF
INTELLIGENCE AND ANALYSIS

HEARING
BEFORE THE
SUBCOMMITTEE ON INTELLIGENCE,
INFORMATION SHARING, AND
TERRORISM RISK ASSESSMENT
OF THE
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Wednesday, February 15, 2006

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON HOMELAND SECURITY,
SUBCOMMITTEE ON INTELLIGENCE, INFORMATION
SHARING, AND TERRORISM RISK ASSESSMENT,
Washington, DC.

The subcommittee met, pursuant to call, at 3:10 p.m., in Room 311, Cannon House Office Building, Hon. Rob Simmons [chairman of the subcommittee] presiding.

Present: Representatives Simmons, Brown-Waite, Lofgren, Thompson, Harman, and Jackson-Lee.

Mr. SIMMONS. [Presiding.] We meet today in open session following a classified briefing to receive testimony on the budget request of the Office of Intelligence and Analysis, or I&A, for fiscal year 2007 and to discuss the plan of the department's chief intelligence officer, Mr. Allen, who is here with us today.

Members are reminded, at least those members who participated in the closed briefing, not to raise specific questions on budgetary issues that would fall within the classified domain.

The Department of Homeland Security's Information Analysis and Infrastructure Protection Directorate was divided up during the department's second-stage review last year. The Office of Information Analysis became the Office of Intelligence and Analysis and became a direct report to the secretary.

The I&A account funds the chief intelligence officer and is a part of the larger analysis and operations account. The Office of Intelligence and Analysis accounts for less than 1 percent of the DHS budget but provides a vital service to the department and to our nation.

By bringing together the intelligence elements of the department and fusing that information with information from state, local, tribal and private-sector partners, I&A plays a unique role in our nation's intelligence community.

It must continue to strengthen that role and better integrate those elements into the department and into the broader intelligence community.

And we are interested to know, Mr. Allen, how your budget will accomplish this.

I&A must also focus on improving the analysis and sharing of terrorist threat information and sharing that intelligence provided to DHS partners is timely, relevant and useful.

The most usable information will come in an unclassified form, which is often a challenge for the intelligence community. Not only is it against the culture of the community, classified information is often difficult to declassify and share.

And so I would suggest that the department needs to do a better job working with the Open Source Center, both contributing to the work of the center and utilizing the center's product. Open source information by its very nature is unclassified, although open source intelligence may be lightly classified, therefore lending itself to rapid dissemination.

And finally, Mr. Allen, we would like to thank you for your work, for your distinguished career. You have many challenges ahead of you in building the DHS intelligence strategic enterprise, and I look forward to continuing to work with you to help ensure that I&A has the resources and capabilities it needs to accomplish its vital mission.

And I would yield now to the ranking minority member of the subcommittee, the gentlelady from California, Ms. Lofgren, for any opening statement she would like to make.

Ms. LOFGREN. As you know, Mr. Chairman, I am losing my voice, so I will put my whole statement into the record.

I would just note that Mr. Allen has been here a short time and I think in that short time has made some important strides forward for the department.

Although I think he is not prepared to comment at this time, I am mindful of the testimony of Richard Ben-Veniste in October pointing out that whoever writes the check gets the most attention.

So at the appropriate time, I look forward to Mr. Allen's comment about budgetary authority and the like. I know that he is enmeshed in a information architecture program, which I am pleased to hear.

I neglected to ask when I met with him earlier whether the analysis will include what is available in an off-the-shelf capacity, as compared to a designed-for-specification capacity. And I do not know if he is prepared to answer that today or not, so we will find out as time goes by.

I will just say that I think this is an important component of our efforts to keep our country secure. I have mentioned to Mr. Allen both in public and in private the need to make sure that we respect civil liberties of Americans as we move forward, and I have been constantly reassured by Mr. Allen of his strong commitment to that. And for that, I am grateful.

And I would yield back.

FOR THE RECORD

PREPARED STATEMENT OF THE HONORABLE ZOE LOFGREN

Thank you Chairman Simmons, and welcome back Mr. Allen. I am pleased to see you again. I await your report regarding your progress in shaping the Office of Intelligence and Analysis, and how the mission you set for it last fall is coming together.

Today's hearing includes both an open and closed session. Thank you for answering our questions in the closed session. Your answers have provided us with infor-

mation that helps us greatly in understanding many of the challenges you are facing. I look forward to being able to ask you many questions in our public sessions about your operations.

I remain concerned that the President's FY 2007 budget may not provide you with the funding you believe you need to make your office successful in the fight to defend our nation. I am hopeful that there are questions that you will be able to answer publicly about how your budget matches up with your priorities. I also look forward to hearing about any new initiatives that you have undertaken since last we met.

When you testified last fall, you had been on the job only a few weeks. You shared with us many of your priorities and what you believed the mission of the Office of Intelligence and Analysis to be.

At the time, I said I welcomed the Second Stage Review as it related to the Department's intelligence function because it represented an opportunity to start anew. This was especially important because—as we all know—the Administration had stripped the Office of Information Analysis of its central role in intelligence assessment shortly after its creation, leaving the Department without a clear intelligence mission.

Mr. Allen, your testimony last fall convinced me that you had found a clear and compelling mission for the Department and I was happy to have someone with your abilities and extensive experience in this important position.

At the same time, I emphasized with you that the Committee needed specifics—specifics about your authorities as Chief Intelligence Office and your roles and responsibilities regarding the various intelligence units falling under the DHS umbrella. I noted that in order to drive a common intelligence analysis mission, you needed to ensure that everyone at the Department was on the same page.

I am pleased to see that just two weeks ago, Secretary Chertoff took a major step in the right direction by signing a 10-page Intelligence Integration and Management Directive that spelled out in specific terms your authorities to integrate and manage the Department's intelligence programs.

You will be happy to know, Mr. Allen, that in the words of one intelligence expert, that the directive looks like the work “of a very seasoned bureaucratic infighter—someone who knows how to write the rules to establish and protect the powers of the [Chief Intelligence Officer] position.” This expert also noted that while it is “always a challenge when a new position is created that is responsible for trying to bring together diverse pieces of a function spread across a large agency,” that this directive at least gives you a fighting chance.

I think that time will tell whether or not your having budgetary authority would enhance your ability to succeed in your position. I am mindful of the testimony of former 9/11 Commissioner Richard Ben-Veniste stated during our second panel in October, when he said, “Whoever writes the check gets the most attention.”

As we discussed in October, Mr. Allen, I am also greatly concerned that your goal of program integration will never be fully achieved without some kind of commonality of databases through which information can be shared internally within the Department.

Those common databases must, of course, include appropriate privacy safeguards. As we have discussed, civil liberties and privacy protections can and must be built into the technology. I am pleased to know that you are committed to supporting the privacy laws of our nation as they pertain to the information that the Department may develop, how or if that information is retained and how that information is to be disposed of when it no longer has any value.

I am curious to know if you believe that there is currently off-the-shelf -the-Shelf technology that you can use that will meets your needs. If these technologies do not exist, I know that you will identify what you need and then be willing to fight to get it. Our subcommittee wants you to have these necessary these tools and technologies you need to succeed. I look forward to hearing your candid assessment of your current capabilities well as your future needs.

In October, you stated that the Department “obviously” must do a better job of building interoperable and interconnected databases, and that you would have a much better idea in “six months” of how those databases were developing.

We're two months shy of the six-month mark, but I hope you can shed some light on the work that your office is doing in this area either during the open or closed session today.

In addition, I look forward to you addressing how the Office of Intelligence and Analysis is working to overcome the information sharing challenges that continue to plague the dialogue between the Federal government on the one hand and its state, local, and tribal homeland security partners on the other.

I wonder what impact the vacancy in the Program Manager position of the Information Sharing Environment is having or what impact you believe it will have on the work you do.

Mr. Allen, thank you for your commitment to helping to secure our homeland, I look forward to working with you and hearing your testimony today.

Mr. SIMMONS. I thank the gentlelady.

I notice that we are joined by the distinguished ranking member of the full committee, and I would like to extend to him the courtesy of making an opening statement.

Mr. THOMPSON. Thank you very much, Mr. Chairman. And I, too, will submit a statement for the record.

But I would like to again say to Mr. Allen I appreciate his outreach that he has done to committee members and the community at large. It is a very positive step. You have a very sensitive job to do. It is absolutely one that I could find no one better to do it than yourself.

There are a couple of things that concern me. I have public officials who say, from an intelligence standpoint, "How can we get information in real-time through a system rather than seeing it on TV?"

And I think you are aware of one of the statements; the mayor of Los Angeles indicated concern.

The other situation is, I was a little dismayed by the departure of Mr. Rusak, a good person. And I hope, for whatever the reasons, his departure, we will not let it be the problem for the next person. We absolutely need to make sure we keep these people and give them the resources necessary to do the job.

But other than that, the issue on diversity that you have indicated you will be stepping forward on within the department is real positive. And I look forward to working with you on that.

I will yield back, Mr. Chairman.

Mr. SIMMONS. I thank the gentleman for his comments.

The chairman now recognizes Mr. Charlie Allen, chief intelligence officer of the Department of Homeland Security, to testify.

And we look forward to hearing this afternoon on a broad range of issues that you bring to the job, improvements you have made, and whether or not you feel that the budget that you have submitted is adequate to accomplish the mission.

Surely, homeland security is one of the most important things that we can do. Intelligence gives us that early warning we need to protect our country and our fellow citizens.

And I recognize you, Mr. Allen. We look forward to your statement.

STATEMENT OF CHARLIE ALLEN, CHIEF INTELLIGENCE OFFICE, U.S. DEPARTMENT OF HOMELAND SECURITY

Mr. ALLEN. Thank you, Chairman Simmons, Ranking Minority Member Lofgren, and Ranking Member of the full committee Thompson.

It is a pleasure to be here. I am very grateful that you are holding this hearing.

The overriding theme that is reflected in our fiscal year 2007 budget is a need for unity and integration of DHS intelligence. And there is the direction in which I am headed.

I would like to introduce for all concerned my new leadership team. I have my principal deputy assistant secretary here, Mr. Jack Tomarchio; my deputy assistant secretary for intelligence and analysis, Dr. Mary Connell; my deputy assistant secretary for mission integration, Mr. Tom Faust; my director of plans and integration, Mr. Jim Chaparro; my chief of staff, Mr. James Beagles; and my director of finance and budget, Mr. John Hill.

Four months ago, I identified five priorities that I would need to address in order to carry out the secretary's vision for an integrated DHS intelligence enterprise. And I brought them here to your committee on the 19th of October.

My first priority, I told you, was to improve the quality of intelligence. We are beginning to broaden the scope of our intelligence analysis. We continue to focus on terrorist threats to the homeland, but our analysis must encompass all aspects of the security of the homeland, including border security, the phenomenon of radicalization, and critical infrastructure vulnerabilities.

To support this broader function, my office has established several cross-division working groups and is developing an intelligence campaign plan to address border security.

Moreover, we have put new emphasis on reaching out to other elements of the department. On radicalization, we are working with the Department of Homeland Security's office of policy, as well as science and technology and the civil liberties office, in order to develop a deeper understanding of the roots of the phenomenon of radicalization.

On chemical, biological, radiological and nuclear issues, we are partnering with science and technology to leverage the office's research for its intelligence value.

Another new and significant effort that my office is pursuing is open source. I view my office as a lynchpin for providing and managing open source information for the department. Our plan for acquiring, handling and disseminating open source information is straightforward, efficient and effective.

Proven methods of obtaining open source data exists, and we intend to leverage current activities in the department, as well as in the open source programs of other agencies, including the UDNI Open Source Center, as well as the commercial sector.

The efficient handling of information is critical to DHS providing our nation the insight, guidance and warning needed to ensure we are prepared to handle threats to our security and positioned to respond effectively when required.

We are taking a number of enhancements and new initiative in this area, including the development of an intelligence enterprise information architecture that Congresswoman Lofgren referred to.

Fiscal year 2007 resources will be critical to an aggressive path that we must have, a system that provides information to those that need it, when they need it, and will thusly facilitate a sharing and collaborating information environment that is critical to our mission.

Our information technology investment we are requesting in fiscal year 2007 will allow my office to establish an urgently needed capability for retrieving, handling, using and storing information.

My second priority is building a unified culture among DHS intelligence components. Last month, Secretary Chertoff signed a management directive which formally established me as the chief intelligence officer of the department and provided me with the authorities that I need to lead, integrate and manage DHS intelligence programs.

This management directive also formalizes my chairmanship of the Homeland Security Intelligence Council, which I established upon my arrival at DHS to serve as my principal decisionmaking forum for the intelligence issues, issues of department-wide significance.

This forum participants include the chiefs of DHS intelligence elements within the components, as well as key members of my leadership team. Working with the Homeland Security Intelligence Council—plans an integration division, develop comprehensive DHS intelligence enterprise strategic plan, which articulates our vision, mission goals and objectives and sets a context for intelligence activities.

And I understand you all have copies of this strategic plan, which I signed out.

Our strategic plan envisions a purely operational training and educational system within the next 2 years that will serve as a vital piece of our efforts to improve intelligence analysis. A companion to our training plan is our effort to recruit the best and the brightest from the nation's universities.

We already have begun implementing our new recruiting plan and are reaching out to the universities and joining in job fairs, as I speak.

We have received more than 90 applications for our 2006 summer intern program, a strong indication that the best and the brightest young Americans across the United States want to help serve their country and keep it safe.

My office has also been working diligently to build a workforce at all levels. We finished the last fiscal year with 98 percent of our civil service positions filled. We have stepped up recruitment and are taking it to new levels with the development of our recruitment strategy.

Most of the new positions in the fiscal year 2007 budget proposal are related to integration of the DHS intelligence enterprise and integration with our state, local and private-sector partners.

My third priority is providing stronger support to state, local and private-sector customers. As you know, one of the initiatives that I have sponsored from the moment I entered is to be able to share information down to the state and local levels.

One of our ongoing initiatives in this area is the placement on intelligence representatives in New York and Los Angeles. And more broadly, my office is leading a major DHS effort to plan for and ultimately deploy officers to more than 30 state and local fusion centers throughout the country.

Sharing information with our state and local partners is of the highest priority for my office. Every product produced by my office is reviewed with an eye toward sharing that with state and local authorities.

These products are shared with the state and local customers via an e-mail distribution and posting system on the Homeland Security Information Network. We also have a classified network so that we can share actually classified information down at the state and local level and out to the 50 homeland security advisers.

My fourth initiative is, of course, taking my place as a full member at the national intelligence community. As I told you this morning, I was with Ambassador Negroponte and other leaders of the community briefing the Defense Subcommittee of the House Appropriations Committee.

And let me say that Ambassador Negroponte has reached out to homeland security and to me, and we work as full partners on counterterrorism issues.

I am also working very closely with Admiral Scott Redd, who heads the National Counterterrorism Center. We have a very smooth and close operation.

Our partnership with the FBI continues to be strong. We reach out daily to the bureau at all levels and work closely on a broad range of threats.

Finally, our experts are helping the DNI to meet the objectives of his national intelligence strategy by ensuring that we have an integrated DHS intelligence enterprise to address threats broadly to the homeland.

Because of our unique information holdings in the domains of the border, transportation and maritime security, our strong and growing relationships with state and local authorities and the private sector, and as statutory obligations to defend the homeland against terrorism, intelligence analysis has to be one of the cornerstones of this integrated capability.

Finally, on my 19 October statement to you, I said I would work and reach out to the Congress and provide transparency in all of my actions. I have made repeated trips to the Hill, and I have met frequently with your staff members. And I intend to continue to do the same.

I have tried to convey to you my personal sense of urgency about the mission that we all share: preventing another catastrophic attack on the United States. The budget that we have submitted to you for your review reflects the same urgency.

We need the full president's budget in order to accomplish our goals. With your strong support, DHS intelligence can do its part to achieve this goal of protecting the country.

Thank you very much. I request that my classified statement be retained in your records.

I am ready to answer your questions.

Mr. SIMMONS. Without objection, so ordered.

And members who attended the classified briefing may, in fact, have questions that they want to submit for the record, which will be done.

The classified statement is at the secret level and is not available to the public, but it is available to members of the subcommittee and of the committee, and will be held by committee staff.

Let me ask a general question. First of all, as I recall, the percentage increase of the overall budget was 18 percent. And yet the

total budget as a component of the total Department of Homeland Security is only 1 percent, which is a relatively small figure.

And the challenges that you face in homeland security intelligence I consider to be substantial. You have to fuse information. You have to cooperate and coordinate with state, and local, and tribal actors.

You have mentioned your interest in supporting open source intelligence, which goes into the issue of data mining. A lot of these concepts have been discussed for some time.

But now for the first time we have an agency of the U.S. government that is charged with performing these tasks in an environment where traditional bureaucracies may or may not be supportive, the old issue of bureaucratic politics.

How successful do you feel that you have been thus far? And what is your vision for this year in expending these dollars and in meeting these non-traditional goals of data mining, collecting information from open sources, doing analysis for open sources, working with state, local and tribal entities, information-sharing, and so and so forth?

Mr. ALLEN. Chairman Simmons, you have asked a very large question. Trying to work across traditional bureaucracies, particularly bureaucracies that existed in other departments or as independent elements, is going to be extremely challenging, because the operating components of the Department of Homeland Security have a great tradition.

They do wonderful work on a daily basis. They have not necessarily always kept strong intelligence elements within them.

We are going to—one, I have an agreement that we will submit—the secretary, when he submits his integrated budget guidance out to all the components, as well as to all other elements of homeland security. We will be emphasizing the need for all elements to strengthen their intelligence capabilities.

There are about nine elements within the operating components that have intelligence or intelligence-collection activities. Some are very strong, like the United States Coast Guard, as you know. Others are less strong.

And for fiscal year 2008 through 2012, I would expect to see some of those who have less than robust efforts to increase their capabilities as they make their budget proposals back to the secretary.

So we are beginning to use my management directive as chief intelligence officer to begin exchanging some of this information.

But how we are going to continue to improve analysis: get more out of our analysts that we have today, deploy officers to state fusion centers, as well as handle such charges as open source.

We are also, as you know, as Dr. Connell explained in closed session, we are going to deploy some analysts out to the operating components in order to harvest the information they have collected.

It is going to be a very challenging time, and we are going to be extremely pressed. But we will live within the budget that we requested.

Mr. SIMMONS. How do we attract people who want to work for Homeland Security, not people who want to work for the CIA, or

people who want for the Defense Intelligence Agency, or people who want to work for the FBI.

No disrespect to those entities, but, you know, this is a new culture, a new challenge, a new mission, a new task. And these folks have to have some sense that there is a future in this, that, as they dedicate their time and their talent to the task of securing the homeland and working in homeland intelligence, that they will be respected as professionals and that they will have an opportunity to advance, as opposed to simply being assigned to homeland security for a couple of years and then moving on to some other assignment.

How do you address that challenge?

Mr. ALLEN. That is an extraordinarily difficult challenge, because, as you know, some of the other more traditional intelligence agencies are having difficult retaining their analysts for a sustained period.

Some of the turnover rates in some agencies is very alarming. Actually, our turnover rate in my own office right now is very small, and I am very pleased about that.

But we do not have enough entry-level analysts. And for that reason, we, as you know, as we said in closed session, we have developed a recruitment strategy to go out and to actually pursue the best and the brightest out in universities.

We are going to be visiting a number of universities across the country. We are going to be going to job fairs. We are advertising in "Foreign Affairs" and "Foreign Policy" for people to make homeland security intelligence analysis a career.

A career, these days, is probably—if you can keep them for 10 to 15 years, you are doing very well. Training is one of the things that we have lacked.

We have now an extensive plan to do training and improve not only the quality of our analysts we have today, but we are going to reach out to CIA University. We are going to reach out to the National Joint Military Intelligence College.

And we are also going to reach out the Federal Law Enforcement Training Center, which will be adding some courses on counterterrorism, which I think is very important.

I think one of the things we can offer to these young analysts is that we will want some of them to rotate out and be analysts in ICE, in CBP and TSA, where they can get a broader appreciation of how intelligence will serve law enforcement in more operational areas.

I think there is some very exciting prospects for young analysts to work and to have a varied career, to work with the operating components, then come back and work for the DHS central office of intelligence analysis.

That is my vision, and I am going to try to implement it.

Mr. SIMMONS. Thank you very much.

The Chair now recognizes the distinguished ranking member, Ms. Lofgren, of California.

Ms. LOFGREN. Thank you very much.

We had a chance to ask many of our questions earlier. But I am just wondering if you could describe for all of us, including the public, the results of the IAIP being divided up and the creation of

your office, the new responsibilities and costs that you did not have before this second-stage review, and how you are covering these new responsibilities.

Mr. ALLEN. That is a very strong question and a very good question, because we have to operate on our own. We were understaffed when we broke apart, which I think was the right thing for Secretary Chertoff to do, because we did not have the logistics or the support.

We did not have the SCIF facilities, the facilities that were secure for handling classified information. We still lack appropriate facilities for all of our officers. Not all of our officers have workstations or terminals; they have to sort of share their terminals, and this makes life very difficult.

But we now have a plan to finish those facilities, to fit out particularly Building 19. We will probably have to put some analysts who are working on more strategic intelligence analysis off in SCIF's place elsewhere, outside the Nebraska Avenue complex.

And then to begin to build the kind of information technology that did not exist is a pretty awesome thing.

That was one of the first things Deputy Secretary Jackson told me the third day I was on the job, is that you do not have an information system. You do not know your information flows. Work carefully with the CIO of DHS, but you are going to have to develop your own information management system, working with the CIO, and that is where we embarked.

So there was a whole plethora of new problems that we faced immediately, once we were broken apart. And the challenges are still there and very steep.

Ms. LOFGREN. Now, let me ask you, on the—well, Congressman Lungren and I call it the hit rack. Everybody else calls it HITRAC—map these domestic vulnerabilities to terrorist threats and works and to secure critical infrastructure with that knowledge.

Now, this sounds exactly like what the IAIP was originally supposed to do. How is your mission different from that original mission?

Sometimes I feel like a nag talking about this—but the lack of progress, or at least the perceived lack of progress, in the publication of the domestic critical infrastructure vulnerability assessments is of concern.

And I am wondering, you know, who is doing that now? What guidance are they getting? And how has that limited, if at all, your capacity to accomplish your mission?

Mr. ALLEN. Thank you, Congresswoman. That is a very good question, because the HITRAC concept, I think, is a brilliant concept. I think we owe a lot to Tom Faust, who was one of the pioneers in helping establish the HITRAC concept.

And when we split apart, putting the two apart, does this create a seam in our ability to analyze and conduct terrorist threat assessments against our critical infrastructure? There are 17 sectors out there.

I have Dr. Mary Connell, who is the deputy assistant secretary for intelligence, here. She manages the HITRAC program as part of her overall responsibilities, and she will briefly speak to the

HITRAC program and how we are continuing to sustain it and grow it.

I would appreciate it.

Ms. CONNELL. We realize how critical HITRAC is—

Mr. SIMMONS. Dr. Connell, for the record, could you spell your name, just for the record?

Ms. CONNELL. It is Connell, C-O-N-N-E-L-L.

Mr. SIMMONS. Thank you.

Ms. CONNELL. We realize how critical HITRAC is, because that is really a unique mission that we perform at the department.

What I have done is pull it out—it had been a branch and a division. And since it is a center, I have pulled it out. And we are treating it as more or less a joint program office. It is responsible to me and to Bob Stephan in infrastructure protection.

So it will stand on its own because of what you are talking about, Congresswoman. We need to do those sector vulnerability assessments. They are under way, and we are doing those.

And I think we are doing them in a unique way, in that we have the sector specialists there from I.P. And we have intelligence analysts from I&A focusing on the threat.

What I am also doing, in addition to the sector assessments, is I think there is a lot more intel value that we can get out of HITRAC. And so I have emphasized to the analysts that we need to focus on what intelligence products we can do, as well, for the intelligence community and also for state, and local, and private.

They have also started—

Ms. LOFGREN. I am going to try and understand what you mean by that. Can you explain that?

Ms. CONNELL. Yes. Right now, the intelligence community does not do a lot of product on sector security or threats to sectors. The threats are treated more as networks or people.

And I think a missing component there is look at the threats to the private sector, and that is something, analysis we can—

Ms. LOFGREN. Oh, I see.

Ms. CONNELL. Yes. We are also making sure that we give more product back to the private sector. So we are writing more unclassified information for them and having more dialogue with them.

Ms. LOFGREN. I know my time is up, but if I could just do one quick follow-up.

It seemed to me that when we were putting together our threats to critical infrastructure vulnerability assessment and list that, as it evolved over time, and it was—the product was poor. I mean, everyone knew that.

Part of the problem was that, number one, the mission was mixed. And there was an effort to list everything—well, if you get solid information that a Safeway store is going to be—well, you want to know where all the Safeways are. But it is not one of your critical infrastructure.

And so both items were on the list. And really, the last time I looked—and it is only been, I think, about 6 weeks, or maybe it is improved since the last time I was briefed—but there were big chunks that were just not present and inexplicably so.

And the putting together of this list was deficient because it did not include the private sector in any way.

Have you been able to impact that process at all through the process you are describing?

That does not make any sense to you. I can see by the look on your face.

Mr. ALLEN. Well, we are working across all 17 sectors. And Dr. Connell has 30 officers sitting, and a few of them are contractors, too, helping work with this. And we are working our way through a huge series right now.

We are working sector by sector. And as a threat arrives, we will do this. For example, we are looking at the chemical sector. We are looking at the energy sector. And we are doing special analyses.

There is, however, in—Colonel Bob Stephan is under Dr. Stephan. And I am not sure I can answer it. The list is kept by him. I will take another look at that, and take it back, and get your response.

Ms. LOFGREN. Well, I appreciate the time. It is just if you are going to be using that as the map for what needs to be protected and it is not really yet formulated, my concern is you will not have what is necessary as the baseline.

Ms. CONNELL. We are also putting more emphasis on looking at the sectors themselves and having—

Ms. LOFGREN. You are directly, out of your outfit?

Ms. CONNELL. Yes, having the sector drive the analysis, rather than vulnerabilities in general or threats in general.

Ms. LOFGREN. Maybe what I should do is ask you to come in and spend 40 minutes with me and go through what you are doing, so I have?

Mr. ALLEN. We will do that, and we will do that with Colonel Bob Stephan's officers, as well.

Ms. LOFGREN. Thank you. I appreciate it.

Mr. ALLEN. Thank you, Congresswoman.

Mr. SIMMONS. Thank you.

The Chair recognizes the distinguished ranking member of the House Permanent Select Committee on Intelligence, Ms. Harman from California.

Ms. HARMAN. Thank you, Mr. Chairman.

I want to apologize to our witness for missing the closed session, but there was just absolutely no way I could change another commitment. And I will catch up with the material either in person or through my work on the House Intelligence Committee.

I do want to say some things for the public record. First, I have found the floor statement I made when Charlie Allen retired from nearly 50 years at the CIA, and I would like to quote it in part and ask unanimous consent to put it in the record of this hearing.

FOR THE RECORD

PREPARED STATEMENT OF THE HONORABLE JANE HARMAN

Ms. HARMAN. I thank the chairman for yielding to me. Charlie Allen is as close as you can come to a legend in the intelligence community. Before the intelligence reform bill passed last year, he was one of the few senior intelligence officers who could get 15 disparate agencies to function as a community. He did that mainly through sheer force of personality.

Our Nation collects intelligence through a variety of means, from spies on the ground to satellites overhead, and everything in between. In his capacity as the assistant director for collection, Charlie got the collectors to understand that they

were most effective when they worked together as a team against the hardest targets.

He got them to understand that integrated collection strategies yielded the best outcomes. Under Charlie's leadership, the collectors in the intelligence community have scored some truly impressive victories, and it is unfortunate that these cannot be recounted in public.

I will just tell you that Charlie's service to the Nation was made clear to me the day he told the committee that he had been with the CIA for nearly 50 years. That is an astounding record, and it is certainly appropriate as we close debate on what I think is one of the best authorization bills ever, that we recognize Charlie's service to our Nation.

Congressional Record for June 21, 2005 on page H4850

Mr. SIMMONS. Without objection, it is so ordered.

Ms. HARMAN. Here goes. "Charlie Allen is as close as you can come to a legend in the intelligence community. Before the intelligence reform bill passed last year, he was one of the few senior intelligence officers who could get 15 disparate agencies to function as a community. He did that mainly through sheer force of personality."

While, Mr. Chairman and Madam Ranking Member, we have given Charlie a few better tools now, so we expect even better results. And I do not want him to feel any pressure, but I think he is the best thing that has come into the homeland world, at least as I see it.

And I want to be absolutely sure, Charlie, that this committee and the intelligence committees are giving you what you need to be successful.

When we had our first session with Homeland Security Secretary Chertoff, he mentioned the intelligence function as one of the small list of functions he thought absolutely critical; I agree. And until you showed up, it was on life support.

So in that vein, I just want to ask you about a couple of things.

First of all, as I mentioned, you, through force of personality, built an intelligence community where the organization chart was lacking. Now you are part of the DNI structure.

And I would like to know how you function in that structure and whether there is anything else you need from us to be the kind of player that the homeland security intel officer must be?

Mr. ALLEN. Thank you very much, Congresswoman, for your comments.

Working within the DNI structure, there are still issues to be sorted through. One of the things that we are doing is ensuring that, when we do get threat information, that we have—discontinuity among the National Counterterrorism Center, the FBI, and my own office.

We have to make sure that that also stretches down to the local levels, to the homeland security advisers. And the FBI must ensure it also stretches down to its joint terrorism task forces.

There has been issues in the past where this has not worked as easily as it should. And there are also, as you know, some ambiguities in the Homeland Security Act and in the Intelligence Reform Act which add, sometimes, over how information can flow down to state and local governments.

I think we are working our way through this. Director Mueller, as you know, has spoken to this and believes that we serve some-

what separate sets of customers at the state and local level but that, if we work together, we can do this.

As one of the things that obviously we have to do with the DNI is to provide him support on homeland security issues. As I said in my—we are offering some of our positions and people to the National Counterterrorism Center in order to strengthen Scott Redd's overall analytic efforts.

I think it is a work in process, but thus far we are being able to work our way through all bumps in the road.

Ms. HARMAN. Well, I appreciate that answer. And, again, through sheer force of personality, you can cut through a lot of stovepipes.

I do want to cut into one other area before the light goes red and that is support to state and local intelligence functions. You mentioned it yourself.

I am aware that you have been out to Los Angeles at least once and going back soon. I am also aware, as you said, that you have an officer out there full time, which I appreciate.

Perhaps you want to tell this committee—you may have done it earlier in a setting in the closed briefing—about this new JRIC concept and which fusion centers at the local level, and then the linking up between those fusion centers will give you an added homeland capability, give not just you, give all of us an added homeland capability that is so critical.

And just, you know, the last piece of that is, what other help do you need?

And let me close, because my light is going to go on, just with my urging to you to treat us as your partners not as your adversaries. We are here to help, and you add so much capability to the homeland department, and you have a collaborative working style. So please call on us for help.

Mr. ALLEN. Thank you, Congresswoman. I will certainly do that.

Working and sharing information with the fusion centers—and California being so large will have four fusion centers, and we will put officers, I hope, at all four eventually, certainly starting in Los Angeles, because being able to collect locally, and provide that information, and have officers there to immediately be alerted to any threat information or any type of activity that could cause a difficulty to the homeland is very vital.

Meanwhile, we can share information down. Already we are using the officer in Los Angeles. We are on the phone with him. We are sending him messages, so he can convey to senior members of the Los Angeles Police Department, as well as the homeland security adviser up to the governor in Sacramento, threat information, to be able to filter it, assess it.

That makes a big difference. So from my perspective, this regional fusion center is going to make a big difference.

I have a principal deputy, Mr. Jack Tomarchio, behind me, who is spending most of his time on the road meeting with people. I feel there is enormous eagerness out there to share information.

And we have to be able to share information at a classified level, as well as a sensitive but unclassified level, with state and local government.

And also I am working out with the private sector. And I find the same professionalism in the private sector. Out in California, there is just some areas in the private sector that were—and I must say, they are first-class people.

And we are giving them some additional security clearances, because they need them and they deserve them. It may break precedent, but I do not care. We are going to do it.

Ms. HARMAN. I love that last answer, especially the end of the last answer.

Thank you, Mr. Chairman.

Mr. SIMMONS. The Chair recognizes the gentlewoman from Florida, Ms. Brown-Waite.

Ms. BROWN-WAITE. Thank you very much, Mr. Chairman.

Mr. Allen, I asked some questions before in the closed session, and you were very forthright. And I appreciate that.

I just have one additional question, and that is—and you may have answered it; I apologize for coming in late—what future role do you expect to take in the Coast Guard intelligence budget?

Mr. ALLEN. Yes, ma'am.

In the U.S. Coast Guard intelligence budget, we are now in the process—Mr. Jim Chaparro behind me is working to prepare guidance, which we will send out through the secretary out to the operating components that will address intelligence needs and priorities as we see them.

Part of it will reflect what we believe the secretary needs to improve in intelligence, with the operating components, as well as the DNI. Ambassador Negroponte has needs, as well.

So we will provide guidance, and it will go over to Commandant Collins, and it will go to the head of Jim Sloan, who is a good, personal friend of mine. And he will have to try to, as he prepares his fiscal year 2008 through 2012 budgets, he will have to reflect how Coast Guard resources will have to be allocated and balanced to support what we see as vital intelligence needs.

So we are going to give him programmatic and budgetary guidance. But it will be an interactive process. We will work directly with Jim Sloan. We will work directly with the commandant.

Mr. SIMMONS. The gentlelady from Texas, Ms. Jackson-Lee?

Ms. JACKSON-LEE. I thank the chairman very much for this hearing.

And I am going to take a slightly different approach, Mr. Allen, from my earlier questions and just focus, as I look at the mission of the DHS intelligence and information-sharing activities to provide valuable, actionable intelligence and intelligence-related information for and among the national leadership, all components of DHS, our federal partners, state, local, territorial, tribal, private-sector customers.

We ensure that information is gathered from all relevant DHS field operations and is fused with information from other members of the intelligence community.

I might just follow up on Ranking Member Harman's comments and just ask whether or not we have such centers being placed in state of the Texas.

You can just answer that. As obviously a member of the Homeland Security Committee that is from Texas, I am very concerned about threat vulnerabilities there.

But let me give you a larger question and then tie it in. From a threat and analysis perspective, the department organization—or what department organization, in your opinion, Mr. Allen, is a primary point of contact for, one, the federal government, two, the intelligence community, three, state, local and tribal communities, and, four, the private sector, your office or the Homeland Security Operations Center?

And depending on your answer, I may have a follow-up question to that.

PREPARED STATEMENT OF THE HONORABLE SHEILA JACKSON-LEE

Thank you Mr. Chairman, and my fellow members of the Committee, and to you, Mr. Allen, for appearing before us today.

I see great potential in the Office of Intelligence and Analysis, if it can indeed be a team player, a coalition builder, and a prominent stakeholder in the collection and analysis of domestic homeland security threats. The President's budget for this year proposes an increase of 18% for the funding of the Office of Intelligence and Analysis and the Directorate of Operations combined. As the entity within the Department of Homeland Security that is responsible for unique intelligence analysis, unique information distribution, and stakeholder partnerships, I'm optimistic that your department will be able to utilize these funds appropriately and successfully.

My district in Houston is still struggling with the aftermath of the hurricanes last year, and everyday I work to get families the resources they need to survive, let alone what they may need to rebuild their life. Again and again, as we review what went wrong, I turn to the communications mechanism, and how the lack of information and knowledge prevented our federal government from responding efficiently and effectively to the disaster at hand. Consistently over the course of those couple of days, federal agents responded slowly, if at all, and without meeting the needs of the urgent situation. Just this week, we learned of over 10,000 wide-bodied mobile homes sitting empty at Hope Municipal Airport in Arkansas. I hope that your office will contribute to a streamlined information communications system that can better prepare us and protect us from homeland security threats.

My district and others affected by the hurricanes are vulnerable, and I want to support the OIA in any way that I can to ensure that it protects us from what we may not even expect.

I would like to highlight one important element of the purpose of your office. You are charged with the task of acting as the primary Federal government intelligence information provider on homeland security issues to state, local, territorial, and tribal governments. I would like to stress to you, and I hope you realize, that you may be the most crucial stakeholder in emergency response. Information is your commodity, and your trading partners are precisely the entities and parts of government that respond first to emergencies, that coordinate funding, and that work together for regional response. Our states, local governments, and tribal governments are the closest to our citizens, and your duty to them must be honored.

I hope that the discussion today will show that progress has been made in structuring and preparing the OIA. I'm looking forward to your testimony, Mr. Allen, and thank you again for appearing before this committee.

Mr. ALLEN. Thank you very much.

There is a fusion center in Texas, and I believe it is in Austin.

We are certainly visiting all of the homeland security—all of the state fusion centers. And certainly, Texas is very much on our mind, particularly the Houston area and other areas where we feel that we must do a better job of working closely with the law enforcement.

As far as my relationships with the operations directorate, the Office of Intelligence and Analysis works very closely. I have officers seven by 24 in the Homeland Security Operations Center that is run by General Broderick.

As far as sharing immediate, alerting information, what information we would call immediate, tactical warning, and that is essentially—sensitive and law enforcement, we look to General Broderick to help manage that when it relates to threats to the homeland from terrorists.

When it deals with intelligence analysis, being able to evaluate threats, to be able to provide that down to the state and local governments or even to the private sector at a sensitive, but unclassified, level, I believe that my office is responsible for doing that intelligence analysis.

We are working very closely with General Broderick in promoting the homeland security information network. I manage the secret level; he manages the more broader, more robust law enforcement sharing information.

We both are looking forward to the day when we can build an even more stronger system called the Homeland Security Data Network, which will be equivalent to the secret-level Supernet run by DOD. But it will be for the homeland, and it will be run under civil authority rather than under military authority.

Ms. JACKSON-LEE. And so, as I understand your answer, that you break it down topically, meaning that you have contact with the federal government, the intelligence community, state, local and tribal, private sector on the analysis aspect.

And then, with respect to the other aspects, you put that in the hands of General Broderick. I guess I did not—you broke down intelligence analysis. And what would you put in the other category?

Mr. ALLEN. It is tactical and, particularly, sensitive law enforcement information or information relating to natural disaster acts of nature where damage is done to our country or infrastructure.

We work primarily with the intelligence community, because you move immediately into higher classified intelligence channels. It is a partnership with General Broderick, and we want to strengthen that partnership.

Ms. JACKSON-LEE. And thank you very much.

If I might, Mr. Chairman—and I will be making this request at every committee level, frankly—and that is that I will be asking the full committee, now that the task force work has been done on Hurricane Katrina, I will be asking this committee to step up to the plate and do its oversight responsibility, which would require, I believe, the presence of Secretary Chertoff.

And if I—out jurisdiction, the Subcommittee on Intelligence and Information Sharing, there is no doubt, whether or not you wish to engage in the blame game, there have been a clashing of cultures and a clashing of responsibilities.

Clearly, the singular moment of former FEMA Director Brown during his hearing was where information went and who gave information, and he did give information, and the bypassing of a structure—and I do not fault him—where he felt he could get no relief whatsoever.

Our committee deals with information sharing. There will be subsequent committees coming forward that I will be asking the same questions, the Emergency Preparedness Committee.

And therefore I do not think this is a subcommittee issue; it is a full committee issue. And, frankly, we failed in information sharing.

I also would say that—if you would indulge me in additional minute, I would ask unanimous consent for an additional minute—

Mr. SIMMONS. Without objection.

Ms. JACKSON-LEE. —I thank the chairman—that this whole pitting of natural disaster and terrorism—and, of course, there have been some red lines around that, as to the fact that, if the levees had been imploded through a terrorist action, and the word went out that it was a terrorist action, you would not find the people because there would be so many on the ground, boots on the ground, that you could not even find the citizens of New Orleans.

That was not the case. But still, a thousand are dead and 4,000 are missing. And, frankly, I will just add a high degree of frustration to the extent that I am really sick and tired that this committee has been hiding from its responsibility of oversight on Katrina, hiding behind the existence of a task force, or subcommittee, or whatever it is called.

Let me compliment them for their initial work, but there have been no accountability in that report.

And so, Mr. Chairman, as you convey it to the chairman of the full committee, and I will have this banner, if you will, and commentary on each committee that I am a subcommittee member of, we need to hold immediate oversight hearings that has Mr. Chertoff sitting here.

I welcome the former FEMA director under oath and others, because we have no solutions to those problems.

And as an information sharing, I would commend to you, Mr. Chairman, that this subcommittee has added responsibility to determine how we can help each other, how we can help this nation, by having more effective policies of sharing the right kind of information timely so that the American people—can have the protection of the federal government, as they should.

I thank Mr. Allen for his answer to my question. And I am sure we will have the opportunity to follow up on some of these aspects.

But I hope you are considering the responsibilities of information sharing that may not necessarily be on the grounds of intelligence where it is terrorist-based, but certainly information sharing is a key element of our mutual responsibilities.

With that, I see my time. I would yield to any respective gentleman or lady that wants to comment.

Mr. SIMMONS. All time having expired, I would like to do a second round, if that is agreeable to my colleagues.

And what I would like to focus on is the unconventional or the non-traditional mission of the Department of Homeland Security.

I mentioned briefly before some of the unconventional elements. The distinguished lady from Texas has focused on information sharing.

Traditionally, intelligence officers would share information in a pipeline, but not across agencies. Traditionally, if you were a federal-level intelligence officer, you did not usually share with state, local and tribal.

So we are dealing with new models, new systems to deal with new problems, primarily counterterrorism, but perhaps new models for dealing with natural disasters.

One tool in that toolbox, in my opinion, is open source intelligence. That is intelligence that is produced as a product, like other intelligence products, from the acquisition processing and analysis of open or publicly available information, or data banks, or sources, whatever they may be.

It occurs to me that, if there is a news story breaking, that homeland security intelligence and analysis can provide value added to that breaking news story. And it is very hard sometimes to beat the news story.

If information is coming from nontraditional sources, it can perhaps be in the lead form of a tip-off. And that being the case, open source intelligence is a discipline, like HUMINT, or SIGINT, or IMINT.

It is a discipline. A discipline needs a home. It is probably going to be the open source agency, which is FBIS with a new title. But it occurs to me that your organization more than many others could benefit from a robust, open source, analytical capability.

Should you not be requesting more personnel in this field than you are? Should you not be running them through a vigorous open source intelligence training program so that you can capitalize on this new capability?

A week ago, I was over at the NCTC. And I was briefed on security operations relative to the Olympics. The open source node was leading the other nodes in providing information.

One person, with language skills and very sophisticated computer skills, a very capable individual, was leading the team on that subject. Isn't this the sort of thing that is going to attract young people into your intelligence organization?

Mr. ALLEN. Thank you, Chairman Simmons. Absolutely.

As you may or may not know, I have always been a great advocate of open source. And my previous job in working with the DCI for 7 years, I am certain I was the most outspoken supporter of open source within the broader intelligence community.

I must say that the leadership of the intelligence community in the past has not been strong in supporting open source. And for that reason, finally with the WMD commission and with the 9/11 commission, the incredible value of open source is finally being fully recognized.

DNI Ambassador Negroponte has formed the Open Source Center. FBIS is now called—works for Porter Goss, but it is to serve in a stronger way the broader interests of the U.S. government and U.S. intelligence community.

I have the beginnings of an open source strategy. My view of open source is quite broad. For critical infrastructure protection, open source, the data are there.

Colonel Bob Stephan over in infrastructure protection uses open source. And Dr. Connell's officers actually go out and talk and get documents from people that run mass transit to understand how mass transit really works so we can understand how it may be vulnerable or not vulnerable.

Railroads, subways, what have you, to me, it—

Mr. SIMMONS. If you would just suspend for one second—

Mr. ALLEN. Yes, sir.

Mr. SIMMONS. —on that point, this is an activity that is conducted above-board. It does not create any fears among the American people that there is a big brother out there. It is being done openly with these different sectors.

Mr. ALLEN. It is absolutely above-board. It is absolutely dealing with factual data. It is not dealing with data relating to the privacy of individuals at all.

It deals with actual operations of critical sectors out there, and how they operate, to make sure that we can provide guidance and advice on how to make them more secure.

And as a result of some work that both Colonel Stephan has done, our office has done, and we have been able to go out and advise members in the private sector. We always take our partners with the Federal Bureau of Investigation.

And they say, “Here is low-hanging fruit. Here are some things—based on our just simple analysis of open source, here are some things you can take to make yourself less vulnerable.”

That is the way actually things ought to be. And one thing that I also believe is important is that—commercial imagery is open source. It is there to help our environment. It is there to help the Department of Interior, to help preserve land, minerals.

If there are fires, as we had in Oklahoma and Texas, the kind of remote sensing capabilities that are out there, commercially available, unclassified, I think that kind of role—Department of Homeland Security, my office, has a very major role.

And working with the commercial imagery vendors, I think we can do a lot more to support that side, as well.

We are in the early stages. I have charged Dr. Connell with developing the open source strategy, and she has brought in a world-class consultant to advise her on that.

Mr. SIMMONS. Thank you.

Ms. Lofgren?

Ms. LOFGREN. Just one matter. Thinking about your recruitment efforts—and it is daunting, really, to get the number of individuals you want recruited in with great minds—I am wondering how much support or interface you have had with the science and technology division?

And thinking about the capacity—we had in the organic act of creating Homeland Security, 10 university centers that were to be established. And I believe we only have—I think it is just two of the 10.

And although we intended that to provide real value, in terms of research and the like, it was also hoped that it might be a vehicle to bring people into the system, both in your shop and other parts.

What impact has the delay in identifying and standing up these centers had on your recruitment? And what do you think it will have? Getting all 10 would add some value to you, do you think?

Mr. ALLEN. On setting up the 10 university centers, I think, for Homeland Security, I think that probably had some inhibiting factors. I do not know that, however, as far as recruiting it in the long term will make a big difference.

For example, the New York University system is vast. There are 64 campuses in the state of New York, as I understand it, and virtually all of those campus now have a curriculum on homeland security.

Dr. Connell has been working very closely with Dr. Maureen McCarthy, head of the Office of Research and Development, and the science and technology director. And I will let her address how she believes working with S&T of Homeland Security will help in recruiting.

Ms. CONNELL. We just started a partnership with S&T's ORD. So it is very recent.

But they get a tremendous—they have tremendous contacts in the university community that we could leverage through our partnership, of bringing Intel to work with S&T on a whole range of issues.

We have just begun this, but we are focusing on radicalization as one. And they have contracts with social scientists, or whatever. So in working with them, that gives us entree into that university community, that we can leverage. And we can do that on other issues, as well.

Ms. LOFGREN. So you really think that the contracting on a case-by-case basis might be preferable to these university centers that we had in mind?

Ms. CONNELL. I cannot address that—

Ms. LOFGREN. Okay, maybe it is not fair to ask you that.

Ms. CONNELL. I do see value in what we are doing.

Ms. LOFGREN. Okay.

Thank you, Mr. Chairman.

Mr. SIMMONS. Ms. Jackson-Lee?

Ms. JACKSON-LEE. Again, let me just—I have a question for Mr. Allen, but let me just, because I think—I do want to restate a question of inquiry, if might yield to you, Mr. Chairman.

Will there be any efforts on behalf of this committee, as it relates to its information sharing, to hold hearings, specifically as it relates to Katrina and Rita and any other natural disaster that would require such more pronounced, competent sharing of information than what has occurred during the tragedy of Hurricane Katrina?

Mr. SIMMONS. Yes, I do not have a copy of our schedule for the coming weeks. Information sharing is clearly an important responsibility of the Department of Homeland Security. It is a capability that obviously we are trying to improve.

And I cannot speak for the committee; I can only speak for the subcommittee. But I would be happy to explore further those issues.

In fact, I am a great believer in getting out into the community. What I have tried to do over the last few months is schedule meetings on-site with the agencies to discuss in detail how they do their job.

I do not know whether you have been to the Homeland Security Operations Center recently. I do not know whether you have been at all. But that is certainly a center of focus for these types of activities.

And I would be glad to pursue that with you.

Ms. JACKSON-LEE. Well, I know there were a number of CODELs planned that were cancelled, so I am not sure which CODEL you were talking about regarding that visit.

But what I would say is that I think—I appreciate the chairman's openness, but I think there needs to be, as you review it, a more pronounced statement that we do hold hearings on the information sharing, as they have negatively impacted, as there is clear evidence on citizens that are still being negatively impacted today, who have been harmed by the lack of communication or information sharing as it relates to Katrina.

I would also ask, because you are in the majority—you might get—I would also ask that, since you are the majority, I would ask that you convey the consternation of at least one member that we have yet to have credible hearings on Hurricane Katrina on the backdrop of alleging that we are allowing a specially appointed committee to do its work.

Its work is finished. And if in your conversations with majority staff and the chairman of this committee, I believe that it was imperative that Secretary Chertoff be before this committee sooner rather than later.

We have a week out. And I feel no need to delay any longer for his presence before the committee.

So I am not asking you—your task is not to be a messenger. But certainly, by being in the majority, I would ask—I am record. And anyone who is able to convey this, because I am going to tie a string around my finger, and I am going to be the broken record on this committee, of which I have a great deal of respect for.

When I say committee, full committee. At every hearing that I am at, I am going to be asking why we have failed to complete our responsibility of oversight over the tragedy that is still occurring with respect to Hurricane Katrina.

And I yield to the gentleman if he wants to respond.

Mr. SIMMONS. I have never known the gentlelady to fail in her ability to communicate her message. I certainly hear it.

My understanding is the special committee or the special task force may be publishing its report shortly. I have not seen it yet. I do not know exactly—

Ms. JACKSON-LEE. Today, I believe.

Mr. SIMMONS. Is it today? I would be happy to take a look at it. And if there are issues in the report that we need to take up at a subcommittee level, I would be happy to do that.

As for sharing with the chairman, I can certainly share the message. But I suspect you can be very successful at that, too.

Ms. JACKSON-LEE. I thank you. I know that you and Congresswoman Lofgren work very well together. And I want to thank her for her leadership and would hope that we could work together on these issues.

Let me quickly say thank you very much—let me just offer this question.

Mr. Allen, you came before us on October 19th and discussed terrorist cases of scares involving the New York City subway system, as well as the Baltimore Harbor system. And I am sure—I do not believe this was raised.

And I want to follow up. You asked about what must be done to improve the process for assessing the reliability of intelligence reports resolving conflicts among agencies looking at the same intelligence and for sharing real-time information with local officials.

Well, we have had some local official questions, but I want to pursue it in the line of the backdrop of what you said on October 19th.

You mentioned that the department and the FBI could do a better job of coordinating and aligning their different missions. And we knew that going into forming DHS, that you would be looking at lessons learned and that you would be coming back with your proposals.

I would like to know, and I put the Katrina tragedy in the backdrop, but I would like to know where you are in this process and what steps have been taken to improve the situation that deals with the real-time, if you will, communications and the other aspects of your work.

Mr. ALLEN. Congresswoman, I am very happy to report that we have worked out very strong new procedures. We are working directly with the National Counterterrorism Center and the DNI, working with the FBI.

And now that we have begun to deploy people at the state and local level, the sharing of threat information and the assessing of that is done jointly by the FBI, by my office, and by the National Counterterrorism Center, which we view, of course, as the first among equals in making the final assessments, because that is its role under the law.

My role, of course, is to ensure that we share that information rapidly and quickly down to the state and local levels and that we do it to our homeland security advisers, to the private sector, to the state fusion centers, that the FBI sends the same identical information down to the law enforcement, down to its special agents in charge, and then to the broader law enforcement community, and that there are no differences in those assessments.

And that, if we have to go out and talk together down at the local level, that officers from DHS accompany the FBI, if they go out and talk, say, to the private sector, because in the 103 joint terrorist task forces there are DHS officers in each of those task forces. They are primarily from the operating components, like ICE and CBP.

But we have worked some standard operating procedures that should avoid any confusion or mistakes. And I am on the phone, or my staff, or Dr. Connell's staff are on the phone instantly if we have what we think is a credible report.

We also are on the phone if we think it does not have validity but might be misinterpreted at the state and local levels. We are out there giving them filtered, validated information.

Unfortunately, in the past, some of the information became direct, and unfiltered, and unassessed, and it was misinterpreted, I think, in the case of New York City and Baltimore.

I think we learned some very strong lessons. I certainly did. I just arrived. We are doing very well today, I think. It does not mean we will not make a mistake in the future, but we are doing much better today.

And there have been a lot of threats that have come in that we have handled very quietly, and they have all gone away because they lack credibility or they were fabrications.

Ms. JACKSON-LEE. Let me congratulate you and thank you for the progress report. I do not know if any place this new structure that is not classified is in writing. I would certainly like to have a copy of it, just to sort of try to understand it.

And I would just simply say, having listened to sheriffs, Mr. Chairman, in another hearing that I understand came from the southern border complaining about not getting real-time information, I know that we are on the road to progress.

And hopefully we can find solutions that will be effective, both on the national and local levels. Thank you very much.

Mr. SIMMONS. Thank you.

Mr. ALLEN. We will get you the processes in some form of writing.

Ms. JACKSON-LEE. That would be great.

Mr. ALLEN. You deserve that.

Ms. JACKSON-LEE. Thank you, sir.

Mr. SIMMONS. I thank my colleagues who are participating this afternoon.

I thank you, Mr. Allen, for your testimony and for the testimony of your staff.

I think earlier Ms. Harman expressed the view that we want to be supportive, we want to be helpful. We also want accountability.

We want the American people to understand, as best they can, what is being done to protect their homeland from the various threats that may occur. And we want to keep talking about it, because it is something that affects all of us very directly and very personally.

So we thank you for your testimony in this open session, and we will take your budget requests under advisement.

Questions for the record will be submitted, and we look forward to working with you in the future.

Mr. ALLEN. Thank you, Mr. Chairman.

Mr. SIMMONS. The hearing is adjourned.

[Whereupon, at 4:24 p.m., the subcommittee was adjourned.]

